

Why Board Diversity is Important to CLP

We recognise that Board diversity is an essential element contributing to the sustainable development of CLP.

The CLP Board Diversity Policy was adopted by the Board in 2013 and revised in 2019. This Policy incorporates Code Provisions of the Stock Exchange Code, the retirement age guideline (at the age of 72) for our Non-executive Directors (other than the Chairman) and the CLP Group Diversity and Inclusion Policy for Senior Management and Staff.

Our concept of diversity incorporates a number of different aspects, such as independence, professional experiences, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service.

Our Board Diversity Policy also recognises that board diversity can be achieved without increasing the size of the Board and that a reduction in board size due to retirements without replacement can also be a way to further diversity.

The CLP Board Diversity Policy is available on the CLP website. [🔗](#)

Board Composition & Diversity

Gender



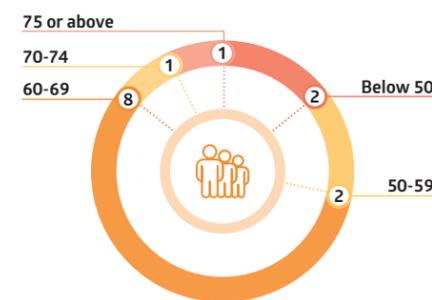
Length of service



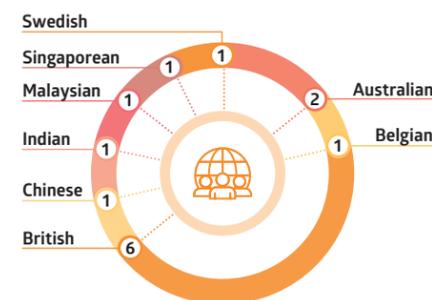
Capacity



Age group



Nationality



Board Expertise

To ensure the Board continues to possess a balance of skills appropriate for the requirements of the business of the Group, an analysis of the skill set mix was considered by the Nomination Committee.

The table below highlights the breakdown of the skill set mix of our Directors and demonstrates the broad and diverse mix of experience and background relevant to CLP that the Directors bring to the Board and its Committees.

Expertise	Relevance to CLP	No. of Directors (Full Board of 14)
Board / board committees leadership	Board and governance leadership experience are regarded as a strategic asset to the Board and Board Committees	6
CLP market experience (Hong Kong / Mainland China (including Greater Bay Area) / India / SEA & Taiwan / Australia)	Facilitates the review of CLP's business and financial operations and investments in the respective region	14
Company executive	Provides insights into executive leadership and the management of CLP's business and operations	8
Global market experience	Provides insights into the global economic trends and opportunities that CLP can explore	14
Other industries	Brings in other expertise applicable across different industries	11
Other listed board roles	Brings in good practices as a board and/or board committee member of listed companies	12
Public administration	Brings in experience in the areas of regulatory and stakeholder engagement	1
Related industry experience (Infrastructure / Power / Property / Retail)	Facilitates the review of CLP's business operations and investment opportunities in the related industries	14
Risk & compliance	Risk and compliance as key governance responsibilities of the Board	10
Technology	Provides insights into the technological developments and the governance of cyber risks	4
Professional	Brings in oversight, advisory and operational experience in the respective field of profession	10
Accounting		5
Engineering		4
Legal	2	

Note: Multiple professional background and experience may apply to a Director.

Assessment Results of Diversity

The Board is characterised by its strong independence and diversity.



Percentage of Directors having served the Board for over 10 years remained at 42% (gradual Board refresh is in progress with an increasing number of Directors serving the Board for five years or below during 2020)



Percentage of Directors aged 70 or above is on a downward trend (reduced from 21%)



Board is reasonably diverse in terms of nationality, with resident Directors in Hong Kong, India and Australia where CLP has major business and operations



Gender diversity (female representation) maintained at a high level amongst Hong Kong listed companies



Representation of Executive Directors in the Board remained at a relatively low level



Representation of Independent Non-executive Directors maintained at a strong level